

**Norm Bolen Interview with Host Rick Cluff**  
**CBC Radio,**  
**The Early Edition, Vancouver drive-in morning show**  
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**Rick:** Is killing Canadian content the way to save Canada's broadcasters? Canwest Global and CTV cite revenue losses, job cuts and recent station closures as reasons Canadian content rules need to be relaxed. This week the CRTC is hearing short term licence renewals from private broadcasters. Norm Bolen will be paying very close attention to this. He is President and CEO of the Canadian Film and Television Production Association and he is here with us in Studio 31. Thanks for being here.

**Norm:** Thank you Rick, great to be here.

**Rick:** Remind us why Canadians should care about the CRTC hearings taking place this week and in particular care about Canadian content.

**Norm:** One of the things that is at stake here is the very future of Canadian content. The broadcasters are arguing that they are facing a severe structural crisis and because of that they would like to see their Canadian content obligations reduced. And fundamentally, I think that is a very bad idea. The broadcasting system in Canada was set up so that we could have Canadian content, so that we can tell our own stories and we have created around that idea, which, by the way is not an abnormal idea-- other countries do it around the world. We have created an industry that is highly, highly successful. For instance just in British Columbia there are 39,500 direct and spin off jobs in the television and film production industry. We have got 15,700 direct jobs. There is \$1.6 billion of activity in British Columbia all because we have a production system that we have created in this country. So, you know, I think the other problem is the broadcasters are arguing that there is a fundamental problem. We are in an economic downturn and I don't think we have enough empirical evidence about how much of this is structural and how of it is cyclical fundamental decisions about Canada.

**Rick:** A lot of people will be listening right now and when you think about television—we think, we heard this coming years ago--the 500 channel universe. And the fact that you have PVRs and instant downloads... When a viewer sits in his or her home in Vancouver and can really have the world at their fingertips. Does Canadian content, those regulations really make sense now?

**Norm:** They do make sense, they still make sense. People are still consuming a lot of their content on television they are getting in over the airwaves and on cable and satellite. The question one would ask would be is why have a Canadian broadcasting system at all if you are not going to have Canadian content? Why not just let the American broadcasters come in and do their thing? Why not just put aside foreign ownership rules-- just abandon the idea of Canadian content altogether, and the idea of telling our own stories. We have an industry, just like other industries, that is really important to this

country. And it is also a myth to say that Canadians don't watch Canadian programming and it is also a myth to say Canadian programming isn't good. What is happening right now in this country, we are making series, dramatic series in prime time on our convention television stations that are being picked up and put on prime time in the United States. That hasn't happened since the days of *Due South* 15 years ago. There is resurgence in the success of Canadian programming around the world. This highly successful show, *The Week the Women Went*, which was pulling about a million on CBC, was done in Vancouver by a Vancouver company. I think people don't know that.

**Rick** I hear this argument all the time from the private broadcasters in this country that Cancon is something that we can put up with when the going is good. Now that the times are bad, it is too expensive, and they say that argument, Canadians don't watch it, we need to reduce costs. Is that anything that should be considered?

**Norm.** If broadcasters want to reduce costs they should first of all take a look at what they are really spending money on. Last year the over the air broadcasters in Canada spent \$775 million dollars on foreign programming, most of it US. They increased their spending by almost 8 per cent this year while they flat lined their Canadian content spend. They spent significantly less, a couple hundred million less, on Canadian content than they did on foreign content. The other things broadcasters went on an acquisition spree they acquired a lot of other assets, they spent a lot of money and borrowed a lot of money and they are heavily, heavily burdened by debt load, interest payments on those debts. It is not Canadian content expenditures that are dragging down the broadcast industry right now. The other thing to remember is the over-the-air broadcasters are part of corporate groups. CTVglobemedia, Canwest and so on. They own a lot of other channels not just CTV, not just Global and those channels are highly profitable. The cable channels in their portfolio of assets are highly, highly profitable and are making money on Canadian content. On the specialty side, where like Alliance Atlantis, where I used to work for instance, we invested in Canadian content, saw it not as a tax, but as a benefit. We saw success in Canadian content by scheduling it well, marketing it well, investing in it. We created a star system on the specialty cable side but on the conventional side we have abandoned it. It is too easy to put foreign shows on TV and let other people do the work.

**Rick:** So Norm, what do you make of this joust that is going right now in Ottawa between the CRTC and, for the most part, the private broadcasters?

**Norm:** The first think I would say, the CRTC is doing its job. The job of the CRTC is to enforce an act of Parliament called the Broadcasting Act that says Canadian content should predominate. And they are looking at things very carefully. It is natural for the broadcasters, who have private shareholders, to argue on behalf of more profits—or that their shareholders should get more profits. It is the job of the CRTC to moderate that and to balance that against the public benefit.

**Rick:** we are in interesting times indeed

**Norm:** We are and we will see it all unroll over the next year or so.

**Rick:** Norm, thanks for coming in. Norm Bolen, President and CEO of the Canadian Film and Television Production Association.

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